

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 493 - SB 1813**

February 20, 2009

**SUMMARY OF BILL:** Expands the meaning of Tennessee River Resort District (TRRD), for the exclusive purpose of becoming authorized to sell liquor-by-the-drink in clubs, hotels, motels, or restaurants, to include any county, whether incorporated or unincorporated, that has a population not less than 7,600 nor more than 7,700 according to the 2000 federal census (Perry County). Requires the county legislative body to adopt a resolution declaring TRRD status.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – Exceeds \$25,000**

**Increase Local Revenue – Exceeds \$25,000**

Assumptions:

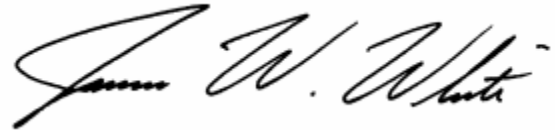
- According to the federal census, Perry County had a population of 7,631 in 2000.
- Perry County adopts the required resolution necessary for electing TRRD status and elects to sell liquor-by-the-drink.
- The amounts of mixed drink tax revenue that will be collected as a result of this bill is dependent upon several unknown factors such as the number of existing entities that will begin selling liquor-by-the-drink, the number of new entities that will enter the market and sell liquor-by-the-drink, and the extent of such sales made by each.
- Determining a precise fiscal estimate for this bill is problematic due to the extent of unknown factors. However, the increase to mixed drink tax revenue is reasonably estimated to exceed \$50,000 per year.
- Pursuant to T.C.A. § 57-4-306, 50 percent of mixed drink tax revenue is apportioned to local government; 50 percent is apportioned to the state's general fund.

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- The increase to state revenue is reasonably estimated to exceed \$25,000 per year ( $\$50,000 \times 50\% = \$25,000$ ).
- The increase to local government revenue is reasonably estimated to exceed \$25,000 per year ( $\$50,000 \times 50\% = \$25,000$ ).

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/rnc